INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2006

	December-06					September-06				Current FYTD	Prior Year FY06	3 Years Ended 6/30/2006	5 Years Ended 6/30/2006
		Allocation		Quarter	Month		Allocation		Quarter				
	Market Value	Actual	Policy	Net ROR	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY													
Structured Growth													
Los Angeles Capital	28,691	2.2%	2.3%	7.40%	0.16%	29,410	2.3%	2.3%	1.60%	9.12%	11.12%	N/A	N/A
Total Structured Growth	28,691	2.2%	2.3%	7.40%	0.16%	29,410	2.3%	2.3%	1.60%	9.12%	11.12%	12.01%	-0.32%
Russell 1000 Growth				5.93%	0.34%				3.94%	10.10%	6.12%	8.35%	-0.76%
Structured Value													
LSV	31,758	2.4%	2.3%	8.09%	1.93%	32,406	2.5%	2.3%	4.90%	13.39%	15.05%	21.14%	12.22%
Russell 1000 Value				8.00%	2.24%				6.22%	14.72%	12.10%	15.70%	6.89%
Russell 1000 Enhanced Index													
LA Capital	60,179	4.6%	4.5%	7.67%	1.05%	58,663	4.5%	4.5%	3.71%	11.66%	11.58%	N/A	N/A
Russell 1000				6.95%	1.28%				5.06%	12.36%	9.08%	N/A	N/A
S&P 500 Enhanced Index													
Westridge	60,634	4.7%	4.5%	6.86%	1.43%	62,641	4.8%	4.5%	5.75%	13.00%	8.77%	N/A	N/A
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	N/A	N/A
Index													
State Street	21,311			8.03%	2.51%	21,761			5.78%	14.28%	9.51%	11.47%	2.62%
Total 130/30	21,311	1.6%	1.5%	8.03%	2.51%	21,761	1.7%	1.5%	5.78%	14.28%	9.51%	11.47%	2.62%
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	11.22%	2.49%
TOTAL LARGE CAP DOMESTIC EQUITY	202,573	15.6%	15.0%	7.50%	1.32%	204,880	15.7%	15.0%	4.49%	12.32%	10.95%	13.63%	3.95%
S&P 500				6.70%	1.40%				5.67%	12.74%	8.63%	11.22%	2.49%
SMALL CAP DOMESTIC EQUITY													
Manager-of-Managers													
SEI	68,248	5.3%	5.0%	8.82%	0.32%	66,445	5.1%	5.0%	-0.01%	8.81%	13.58%	18.20%	7.84%
Russell 2000 + 200bp				9.43%	0.50%				0.94%	10.46%	16.86%	21.06%	10.38%
TOTAL SMALL CAP DOMESTIC EQUITY	68,248	5.3%	5.0%	8.82%	0.32%	66,445	5.1%	5.0%	-0.01%	8.81%	13.58%	18.20%	7.86%
Russell 2000				8.90%	0.33%				0.44%	9.38%	14.58%	18.70%	8.50%
INTERNATIONAL EQUITY													
Large Cap - Active													
Capital Guardian	55,649	4.3%	4.0%	8.53%	3.03%	53,775	4.1%	4.0%	5.02%	13.98%	28.07%	20.99%	6.90%
LSV	55,299	4.3%	4.0%	10.66%	4.55%	52,480	4.0%	4.0%	6.24%	17.56%	27.09%	N/A	N/A
Total Large Cap - Active	110,948	8.5%	8.0%	9.58%	3.78%	106,255	8.2%	8.0%	5.62%	15.74%	27.66%	21.92%	12.63%
MSCI EAFE - 50% Hedged				9.06%	3.79%				4.87%	14.37%	26.72%	22.56%	6.89%
Small Cap - Value													
Lazard	13,632	1.1%	1.0%	14.66%	4.20%	12,484	1.0%	1.0%	0.72%	15.49%	23.65%	28.06%	N/A
Citigroup Broad Market Index < $2BN				11.41%	3.40%				1.53%	13.11%	29.28%	32.40%	N/A
Small Cap - Growth													
Vanguard	13,825	1.1%	1.0%	12.63%	3.92%	12,889	1.0%	1.0%	3.73%	16.83%	29.24%	32.39%	N/A
Citigroup Broad Market Index < $2BN				11.41%	3.40%				1.53%	13.11%	29.28%	32.40%	N/A
TOTAL INTERNATIONAL EQUITY	138,404	10.7%	10.0%	10.35%	3.84%	131,627	10.1%	10.0%	4.93%	15.79%	27.35%	23.83%	8.67%
MSCI EAFE - 50% Hedged				9.06%	3.79%				4.87%	14.37%	26.72%	22.56%	6.89%
DOMESTIC FIXED INCOME													
Core Bond													
Western Asset	159,637	12.3%	12.1%	2.01%	-0.36%	157,648	12.1%	12.1%	4.45%	6.56%	-0.90%	7.36%	8.59%
Lehman Aggregate				1.24%	-0.58%				3.81%	5.09%	-0.81%	2.05%	4.97%
Core Plus/Enhanced													
Clifton Group	36,331	2.8%	2.8%	0.66%	-0.69%	36,363	2.8%	2.8%	N/A	N/A	N/A	N/A	N/A
Prudential	36,381	2.8%	2.8%	1.88%	-0.39%	35,957	2.8%	2.8%	N/A	N/A	N/A	N/A	N/A
Total Core Plus/Enhanced	72,711	5.6%	5.6%	1.27%	-0.54%	72,320	5.6%	5.6%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				1.24%	-0.58%				3.81%				
Index													
Bank of ND	67,156	5.2%	5.3%	1.31%	-0.40%	69,338	5.3%	5.3%	3.10%	4.46%	-1.14%	1.14%	4.90%
Lehman Gov/Credit (1)				1.04%	-0.76%				3.91%	4.99%	-1.52%	1.04%	4.78%
BBB Average Quality													
Wells Capital (formerly Strong)	159,182	12.3%	12.1%	1.75%	-0.69%	157,605	12.1%	12.1%	4.60%	6.43%	-2.11%	2.63%	N/A
Lehman US Credit BAA				1.49%	-0.94%				4.80%	6.36%	-2.37%	2.63%	N/A
TOTAL DOMESTIC FIXED INCOME	458,686	35.3%	35.0%	1.70%	-0.51%	456,911	35.1%	35.0%	4.28%	6.06%	-1.39%	6.59%	7.79%
Lehman Aggregate (2)				1.24%	-0.58%				3.81%	5.09%	-0.81%	1.84%	5.28%
CASH EQUIVALENTS													
Bank of ND	430,260	33.1%	35.0%	1.32%	0.44%	441,227	33.9%	35.0%	1.35%	2.68%	4.50%	2.71%	2.42%
90 Day T-Bill				1.26%	0.44%				1.33%	2.60%	4.00%	2.37%	2.25%
TOTAL INSURANCE REGULATORY TRUST	1,298,171	100.0%	100.0%	3.70%	0.59%	1,301,090	100.0%	100.0%	3.18%	7.01%	5.75%	6.91%	5.04%
POLICY TARGET BENCHMARK				3.21%	0.56%				3.15%	6.46%	5.67%	6.18%	4.35%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.
(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.